

Message Text

LIMITED OFFICIAL USE

PAGE 01 EC BRU 06051 031253Z

43

ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 AID-05 CIAE-00 COME-00 FRB-03

INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 L-03 H-02 AGR-05 CEA-01

STR-04 SAM-01 /071 W

----- 042436

R 031205Z JUL 75

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC 9196

INFO ALL EC CAPITALS 853

LIMITED OFFICIAL USE EC BRUSSELS 06051

PASS AGRICULTURE

E.O. 11652: N/A

TAGS: EAGR, EEC, ETRD

SUBJECT: INFORMATION ON EC SUGAR FOR HOUSE OF REPRESENTATIVES' HEARINGS

REF: (A) STATE 147178; (B) STATE 141876; (C) EC A-077

1. THE EC COMMISSION WAS UNABLE TO FURNISH US INFORMATION IN RESPONSE TO QUESTIONS A, B, C NOR E RAISED IN REFTELS A AND B.

2. REGARDING QUESTION D ON PRODUCTION AND EXPORTS, THE COMMISSION IS PROJECTING 1974/75 (JULY - JUNE) EC PRODUCTION AT 8.564 MILLION M.T. AND 1975/76 PRODUCTION AT 11.096 -11.324 MILLION M.T. ON A WHITE REPEAT WHITE SUGAR BASIS. FOR 1975/76 THIS WOULD LEAVE AROUND 1.4 - 1.7 MILLION M.T. OF WHITE SUGAR AVAILABLE FOR EXPORT.

3. THERE ARE NO OFFICIAL COMMISSION PROJECTIONS FOR PRODUCTION AND EXPORTS AFTER THE 1975/76 SEASON AND OPINION APPEARS TO

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 EC BRU 06051 031253Z

BE DIVIDED IN THE COMMISSION SUGAR DIVISION ON WHAT ARE THE

LIKELY PROSPECTS FOR THE FUTURE. FUTURE PRODUCTION AND CONSUMPTION WILL DEPEND ON PRICE DECISIONS WHICH HAVE YET TO BE MADE. COMMISSION OFFICIALS AGREE HOWEVER THAT THE COMMUNITY IS NOT AP
T

TO INCREASE SUGAR BEET ACREAGE BEYOND THE 1.796 MILLION HECTARES NOW IN PRODUCTION FOR THE 1975/76 SEASON. ASSUMING CONSTANT YIELDS, THIS WOULD LEAVE ANNUAL PRODUCTION AT AROUND 11 MILLION M.T. HOWEVER SOME COMMISSION OFFICIALS THINK THERE IS THE POSSIBILITY OF INCREASING YIELD PRODUCTIVITY IN THE COMMUNITY AND THAT CONSEQUENTLY THE 11 MILLION TON FIGURE SHOULD BE TAKEN AS AN ANNUAL MINIMUM. EC WHITE SUGAR CONSUMPTION IS CURRENTLY AT 10.15 MILLION M.T. AND THE COMMISSION DOES NOT SEE THIS INCREASING TO MORE THAN 11.5 MILLION TONS BY 1980. THEREFORE, ASSUMING A MAXIMUM CONSUMPTION OF 11.5 MILLION (PLUS EXPORTS OF PROCESSED PRODUCTS CONTAINING THE EQUIVALENT OF .1 TO .2 MILLION TONS OF SUGAR) AND MINIMUM PRODUCTION OF 11 MILLION (PLUS 1.2 IMPORTS FROM ACP COUNTRIES) THIS WOULD STILL LEAVE THE COMMUNITY AS A NET EXPORTER OF ABOUT .5 MILLION M.T. OF WHITE SUGAR IN 1980. ALL OF THESE FIGURES, IT SHOULD BE EMPHASIZED, ARE BEST GUESSES FROM COMMISSION TECHNICIANS, NOT OFFICIAL ESTIMATES.

6. REGARDING QUESTION F, THE COMMISSION USES 2 PERCENT AS A BENCHMARK FOR THE ANNUAL GROWTH RATE IN EC SUGAR CONSUMPTION. THIS OF COURSE IS SUBJECT TO SUGAR'S COMPETITIVE POSITION VIS-A-VIS ARTIFICIAL SWEETENERS.

7. ON LONG-TERM CONTRACTS (QUESTION G) COMMISSION OFFICIALS IN EFFECT CONFIRMED RECENT PRESS STORIES THAT THE COMMUNITY IS NOW ATTEMPTING TO NEGOTIATE 3 - 5 YEAR CONTRACTS OF AN ANNUAL TOTAL OF UP TO 200,000 M.T. OF EC SUGAR EXPORTS. (IT IS CLEAR THAT THIS IS A FIGURE THAT COULD, HOWEVER, BE INCREASED DEPENDING UPON THE COMMUNITY'S SUPPLY/DEMAND BALANCE.) THEY WOULD NOT OFFER ANY DETAILS, HOWEVER, ON THESE CONTRACTS.

8. REF. C CONTAINS OUR LATEST DESCRIPTION OF THE SUGAR CAP OUTLINING THE EXTENT OF COMMUNITY PARTICIPATION IN THE SUGAR SECTOR (QUESTION H). GREENWALD
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 EC BRU 06051 031253Z

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SUGAR, PRODUCTION DATA, EXPORT DATA
Control Number: n/a
Copy: SINGLE
Draft Date: 03 JUL 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: izenbei0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975ECBRU06051
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750231-0048
From: EC BRUSSELS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750784/aaaacwlo.tel
Line Count: 107
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 STATE 147178, 75 STATE 141876, 75 EC A-077
Review Action: RELEASED, APPROVED
Review Authority: izenbei0
Review Comment: n/a
Review Content Flags:
Review Date: 18 APR 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <18 APR 2003 by SmithRJ>; APPROVED <22 SEP 2003 by izenbei0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: INFORMATION ON EC SUGAR FOR HOUSE OF REPRESENTATIVES' HEARIN GS
TAGS: EAGR, ETRD, EEC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006